GOVERNMENT OF INDIA
FINANCE
LOK SABHA

UNSTARRED QUESTION NO:3836
ANSWERED ON:17.08.2001
LOAN FOR AGRICULTURE SECTOR
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Will the Minister of FINANCE be pleased to state:

(a) whether seventy percent branches of the commercial banks are set up in rural areas;

(b) if not, the actual number of these banks set up in rural areas

(c) whether the percentage of loans given directly to the agricultural sector by these banks has been continuously declining since the year 1998-99 tin 2000-2001; and

(d) if so. the percentage of the total priority sector loan given to the agricultural sector during each of the last three years and the extent to which the above percentage was less than the percentage earmarked for agricultural sector?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI BALASAHEB VIKHE P ATIL)

(a) & (b): As reported by Reserve Bank of India (RBI), 32631 branches of commercial banks are functioning in rural areas of the country, constituting 49.5% of total branches as on 31st March 2001.

(c) & (d): Data relating to the outstanding agricultural advances of public sector and private sector banks as on the last reporting Friday of March 1998 to March 2001 are given below. The shortfall in achievement of agricultural lending target (18 percent of net bank credit) has a1so been indicated.

i) Public Sector banks .

March	Amount Outstanding (Rs. Crote)	% to Net Bank Credit	Percentage of shortfall in achieving the target
1998	34304	15.72	2.38
1999	40078	16.28	1.72
2000	46190	15.77	2.23
2001	53685	15.65	2.35

ii)Private Sector Banks

March	Amount Outstanding (Rs Crore)	% to Net Bank Credit	Percentage of shortfall in achieving the target
1998	2746	9.7	8.3
1999	3286	9.5	8.5
2000	4239	9.1	8.9
Sept 2000#	4659	9.6	8.4

#Latest available data